

TO : <del>DepXLCXLCX</del> <i>no separate copy</i> D/OEXA VIA DD/OEXA		DATE OF REQUEST <b>17 FEB 1982</b>
FROM : RJK		SUSPENSE DATE
SUBJECT: Rosenthal Package Status		
<p>NOTES:</p> <p>The Director handcarried this letter to Baker on 15 February. Also included is a proposed letter for the President to send to Rosenthal (deadline is 24 February). The next step for Rosenthal is to take the matter to the House Floor. [redacted] is informing HPSCI. If the matter does go to the House, we should consider an alert to the Speaker.</p>		
COORDINATED WITH (list names as well as offices)		
NAME	OFFICE	DATE
NAME	OFFICE	DATE
NAME	OFFICE	DATE
NAME	OFFICE	DATE
ACTION REQUIRED BY LC		

STAT



Washington, D.C. 20505

15 FEB 1982

Honorable James A. Baker III  
Chief of Staff  
The White House  
Washington, D.C. 20500

Dear Jim:

Since 1979 the CIA has been cooperating with the Subcommittee on Commerce, Consumer and Monetary Affairs of the House Committee on Government Operations, chaired by Representative Benjamin S. Rosenthal, to assist the Subcommittee in its examination of foreign investments in the United States. In that connection, the Agency has made available to Mr. Rosenthal 17 classified documents with the understanding that the classification of this material be respected.

The Agency's 1979 Understanding with Mr. Rosenthal, a copy of which is enclosed at Tab A, set up procedures whereby the documents would be reviewed for declassification in the eventuality that the Subcommittee wished to make public any of the information furnished to the Subcommittee by the CIA. The Understanding further provides that, if Mr. Rosenthal and the DCI are unable to agree as to which material may be made public, Mr. Rosenthal may inform the President of the information which the Subcommittee wishes to disclose and may disclose such material unless the President, within 10 working days, personally states his objections and the reasons therefor. Thereafter, pursuant to the Understanding, the Subcommittee may refer the question of disclosure to the House of Representatives.

Pursuant to that Understanding, Mr. Rosenthal requested that the documents be declassified. The Agency, thereupon, reviewed these documents for declassification, declassified portions of the material, but informed Mr. Rosenthal that much of the material required continued classification. Because of Mr. Rosenthal's dissatisfaction with our efforts, I had called together a group of very senior, qualified

officials in the Agency and the Departments of State and Treasury to conduct a renewed declassification review of the material which, in general, affirmed the findings of the original review and I have informed Mr. Rosenthal accordingly. Please note my letter at Tab B.

Although I had earlier informed Mr. Rosenthal that this review by the group of senior Agency officials was underway, Mr. Rosenthal apparently did not wish to await the results of that review and sent a letter to the President on 9 February, a copy of which is enclosed at Tab C. Mr. Rosenthal in that letter invokes the provision in the 1979 Memorandum of Understanding whereby Mr. Rosenthal could appeal to the President. The 10-working-day deadline by which the President should reply to Mr. Rosenthal's letter expires on 24 February.

I suggest the prudent course to follow would be to have the President reply to Mr. Rosenthal's 9 February letter since it is possible that Mr. Rosenthal would, indeed, publish the 17 classified documents, as he suggests, if the President does not reply. Enclosed at Tab D is a suggested draft of a letter by the President to Mr. Rosenthal.

Be assured that I have taken steps that no agreements like that with Mr. Rosenthal will be entered into henceforth unless the President's specific authority is obtained in advance.

Sincerely,

/s/

William J. Casey  
Director of Central Intelligence

Enclosures



Washington D.C. 20505

Executive Registry

82-4120/11

11 February 1982

Honorable Benjamin S. Rosenthal  
Chairman, Subcommittee on Commerce,  
Consumer and Monetary Affairs  
Committee on Government Operations  
House of Representatives  
Washington, D.C. 20515

Dear Ben:

A senior group of officials has completed a second review of the 17 documents you requested to be sanitized and declassified for your Subcommittee's public use. This review was conducted by Senior Intelligence Service members from the CIA's Directorates of Intelligence and Operations and senior representatives from the Departments of Treasury and State. I had the documents reviewed a second time to assure that there would be no withholding not required to meet our obligation to protect sources, methods, and US foreign policy interests. The results of that review are enclosed.

I hope the documents will be useful to your investigation. Please let me know if we can be of further assistance.

Sincerely,

William J. Casey  
Director of Central Intelligence

Enclosures

PREPARED BY OGI/11 Feb 82  
REWRITTEN BY DCI

Orig w/Attachment - Addressee via OEA 0900, 12 Feb 82  
1 w/o - O/DCI  
1 w/o - DDCI  
1 w/o - EXDIR  
1 w/o - DDI  
1 w/o - DDO  
1 w/o - D/OEA  
1 w/o - OGC  
1 w/o - Executive Registry  
1 w/o - OGI